

Overview: Agriculture and the Green Tier

What is Green Tier?

- Green Tier is an optional, non-regulatory way to achieve superior environmental results. It is voluntary and draws on the state's cooperative tradition and on today's emphasis on partnerships to protect the environment. Participants still must meet environmental standards. But like other businesses in Green Tier, producers may negotiate environmental Contracts to achieve superior environmental results and thus be eligible for incentives.
- Green Tier agricultural producers must meet the same entry criteria as other regulated businesses such as not having certain criminal judgments against them for the last 5 years. They also must commit to pursue superior environmental goals. Recognition and rewards that are in proportion to the superior effort will be available to agricultural producers just like other businesses. Federally, Green Tier will mesh with EPA's Performance Track that gives special benefits to regulated businesses.
- Green Tier also provides a way for regulated and unregulated farms to address environmental risks before they are formally regulated. Farms could agree to verifiable performance in a Contract with the state or as a part of a Chartered farm organization, which could have the ability to self-audit, just like Chartered manufacturing associations.
- Green Tier provides legal standing, protection and accountability by using three tools:
 1. **Environmental Charters:** This is like the Charter School concept. Charters grant rights and responsibilities to organizations that want to protect the environment and help their members protect the environment, perhaps through equipment, services or advice. These Chartered organizations are stewardship partners with government. Both partners have an obligation to each other. The government must let the organization do the job. The organization has the obligation to get the job done. Each respects the other and is accountable to the other.
 - One example is a farm Cooperative that is Chartered to land spread manure in an area to meet water quality and soil fertility goals and then sell the surplus to a utility that could be Chartered to generate bio-mass from manure. That way both water quality and the global climate would be helped and the producer would not have the worry of finding enough land for land spreading.
 - Another example is a Charter covering farms of different sizes and types in a watershed that agree to protect groundwater quantity, surface water quality and rural landscape in concert with state and community goals. This kind of a Charter could meet the goals of local businesses that want to promote the rural landscape and outdoor activity, such as grazing, in keeping with a tourism strategy and thus enhance farm-community relations.
 2. **Environmental Contracts:** These are legal Contracts and are based on the Dutch Covenants and Bavarian Business Compacts, which are voluntary agreements with business to go beyond the minimum required by law. In addition to the benefit of avoiding new regulations, incentives to achieve goals can be a part of the Contracts, which are enforceable.
 - One example is a Contract to manage cropland and woodland to produce carbon credits as part of a climate change strategy. The Contract could be with a specific producer or with a group of Chartered producers that agreed to generate a certain number of credits for which they would get paid.
 - Another example is a voluntary commitment by a large animal operation to adopt Agricultural Stewardship System-approved odor control practices and landscape screening under an agreement with interested parties who then would be more comfortable with farming operations.

3. **Environmental Management Systems:** EMSs are like integrating environmental risk and conservation opportunities into farm plans. The EMS ensures Contract follow-through and provides documentation that protects the producer. This provision can provide legal protection called “presumptive due diligence” for an incidental problem even though the farmer was using practices recommended by the Ag Stewardship System. The farmer could get added protection under Green Tier because the Contract and EMS will be designed to pursue superior environmental goals that are supported by the community and state partners.

How did Agriculture have input into Green Tier?

Dan Poulson was on DNR’s Green Tier Advisory Committee. He had special input to staff that crafted the bill drafting instructions. Dan made three key points, all of which the Department endorsed in its drafting instructions:

1. All farmers should be eligible for Green Tier, not just those needing permits. That means all farms, producing all commodities, everywhere in Wisconsin should be eligible for the self-auditing, reporting and protection that are available to non-farm businesses.
2. Local governments should be eligible to participate in the chartering and contracting agreements that will protect everyone, including the farmers. The state should be allowed to provide technical help to local governments to reach those agreements.
3. Farmers who go beyond the minimum should be rewarded. Just like farmers in The Netherlands, Wisconsin farmers who protect or restore the environment voluntarily should be compensated, just as other Green Tier businesses will be compensated for good deeds they voluntarily pursue under Contract.

Are there business benefits to farmers in Green Tier?

- **Green Tier will be used to market products** and promote agriculture’s reputation. Agriculture and other products would be eligible to carry the new “Green Star” logo as a statement that the environment is protected in a special way.
- **Green Tier participants will contribute performance data** to a learning system like the Agricultural Stewardship System. Companies will work with the state and environmentalists to promote trust by working toward common goals. The system may be assigned to UW-Madison as a neutral party. The draft allows compensation to Green Tier participants for the costs of collecting data not required for regulatory purposes and protection to those who submit data voluntarily. If the Ag Stewardship System and Discovery Farm producers wished to join the Green Tier System they would be eligible under the Department’s draft language.
- **State grants can help form Charters and develop EMSs.** Farm organizations, cooperatives, commodity groups and producer associations are eligible for Department of Commerce grants to form Charters and develop EMSs. Draft language specifically says Charters may cover “products, supply (product) chains, land areas, watersheds and activities.” That could give a commodity group the ability to manage the environmental quality of its product from farm to shelf or a group of producers to self-manage a Chartered farming region.
- **The definition of superior environmental performance was written to help farmers.** Green Tier expects participants to pursue “beyond compliance” goals to earn incentives. The menu of eligible goals was drafted to meet a recommendation of Dan Poulson that farmers be eligible for incentives to manage “stewardship of land, water, wetlands, soil, landscape and natural communities.” Farmers may be compensated partners with the state and those who promote prairies, Oak Savannah restoration, wetlands, kames and kettles and nature.

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